

Government Expenditure

The Government's Estimates, which are tabled in this House, represent only the visible tip of a comprehensive and complex process of priority setting and trade offs, which ultimately produce the spending plans of the Government. And yet it is a crucial element in the equation of parliamentary control and governmental accountability.

When the Lambert Commission recommended that the government improve the nature—

The Acting Speaker (Mr. Guilbault): Order, please. The Chair regrets to interrupt the Parliamentary Secretary but his time has expired. For debate, the Hon. Member for Western Arctic.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, was it not Aristotle who said that the logical conclusion of democracy is chaos? The reason for that conclusion, Sir, reached by a much greater observer of constitutional affairs than myself, was that there is an inclination in everyone to try to get more out of a system that they put in it. You can see that in Canada today. Ask any Canadian walking down the street and he will agree that government expenditures must be reduced. They have got out of hand. But they do not want financing for their own pet projects reduced in any way. Everyone figures that they should get a tax break that is a little better, that the bridge in their locality should be built, or that their pension should be increased. Therefore, we have to find a system within the democratic workings of government—because I would not want to see that system go by the board—which would allow us to put a ceiling on government expenditures. For that reason I was pleased to second the motion of the Hon. Member for Mississauga South (Mr. Blenkarn).

I agree with what the Hon. Member for Algoma (Mr. Foster) said in the first part of his speech. It was most interesting, indeed delightful to listen to. That was when he was thinking for himself. But in the second part of his speech, when he started reading from a text undoubtedly prepared by bureaucrats in the Department of Finance, I must admit I lost a little interest. However, he rightly pointed out that were the idea presented here today to be adopted in its entirety, we would have a system much more akin to that in the United States where negotiations go on between the executive branch and the legislative branch as to what the ultimate budget is going to be.

One of the problems we have is the system of compiling budgets and Estimates. Each sub-branch of a government Department figures out how much it has spent last year, what it would like to do in the following year, then it adds it all together, adds another 10 per cent for the slush fund, and passes it along to the next level of government. That level then consolidates and adds a little more. And so you go up the totem pole, until the Minister of Finance has to take all these amounts and present the bill to Parliament. When the bill is presented in the form of the Estimates and the blue book, with which we are all so familiar, there is practically nothing that parliamentarians can do to change it. At that time, to all intents and purposes the final figure is cast in stone. There is

very little that parliamentarians, in government or in opposition, can do at that time.

I notice there is one Cabinet Minister in the House this afternoon. She would probably confirm my suspicions that every pressure put on a Cabinet Minister is to expend more money. This pressure comes from the Department for which the Minister has special responsibility. Whatever you ask of departmental officials, the inevitable response is that they need more person-years and more money. Whenever a Cabinet Minister talks to the responsible people, they always want more services. They want Government to spend more money on more things. Sometimes they want reductions in taxes, which amounts to the same thing in the end, I guess. So I certainly understand the difficulty facing government Members when they try to keep expenditures under control.

● (1740)

Many Members of Parliament and Cabinet Ministers are concerned with their own Departments and have little impact on over-all government financial policy and expenditures. Most of us tend to look upon ourselves as spokesmen for regional interests. I am as guilty of that as anyone. Or else we look upon ourselves as spokesmen for departmental or sectorial interests. On many occasions the Minister of Agriculture (Mr. Whelan), when answering questions, presents himself as the spokesman for the agricultural industry, trying to get more and more from his colleague, the Minister of Finance (Mr. Lalonde) to spend on a very important part of our life and economy. But the Minister does not look at all government expenditures and the difficulty of keeping them under control. He has this one sectorial interest, an interest shared by many other Cabinet Ministers, especially the more junior Ministers. What we should do, Mr. Speaker, and I say "we" as government in the broadest sense, encompassing the executive and the legislative arms, what we should do is, first of all, decide what the maximum aggregate expenditure is to be. Once that is decided, then the next decision you have to make concerns how much each Department can have for its purposes. This is not done now.

The proposal put forward by the Hon. Member for Mississauga South at least brings forward the possibility that we might begin to look at affairs in that light rather than the way we do at present. If you go back in history you will see some of the concepts which have been brought into being to try to deal with this problem in times past. Treasury Board was one of the first ideas. However, at present that does not seem to be that effective, nor has it been for many years. The Lambert Commission recommended the envelope system. This was put into effect in 1979. I am beginning to have some doubts about the efficacy of the envelope system. The Treasury Board system has not worked, and now the envelope system does not appear to be working properly. What we are doing is to add more layers of bureaucracy to the system. In effect, you are slowing things down and making them more expensive than they would have been without these mechanisms and devices of control. These were admirable ideas, but they do not appear to be working in the way they were intended to.